

News from U.S. Rep. John Spratt (D-SC)

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Spratt and Coble Introduce Bill Supporting American Textile and Apparel Industry

WASHINGTON – U.S. Reps. John Spratt (D-SC) and Howard Coble (R-NC) today introduced the “Textile and Apparel Recognition Act” (TARA) in the U.S. House of Representatives.

“This resolution recognizes the contributions the U.S. textile industry has made, and still makes, to our economy, while pointing out the crisis that the industry faces,” the congressmen said.

The Textile and Apparel Recognition Act calls on the President to step up enforcement of U.S. trade laws, trade agreements, and textile quotas and tariffs. It also calls on the President not to use the textile/apparel industry as a “donor” industry” in trade negotiations or as “pawn” in foreign policy deals. It urges the President not to further broaden free access to the American textile market, but instead to open foreign markets to American textiles and apparel exports.

Spratt and Coble co-chair the Congressional Textile Caucus. They noted that although the textile/apparel industry still employs almost a million Americans, 675,000 jobs have been lost in textiles and apparel since 1994. Last year alone the textile and apparel industry lost nearly 150,000 jobs.

“The effects are felt the most by thousands of textile workers who have lost their jobs and by the communities where they work. Tax revenues fall as a result of plant closings, and funds for schools are cut short, as are funds for water/sewer improvements, and even basic services like garbage collection,” the congressmen said.

Spratt and Coble noted that most foreign countries that import heavily to our country do not reciprocate. They shut their markets to American-made imports, and many of their shippers take liberal advantage of access to our

passing Congress and ending up on the President's desk. If so, the President will probably sign it, which will give the resolution the force of law and make its provisions U.S. trade policy."

Textile and Apparel Facts

In their bill, Spratt and Coble listed the following facts on the textile and apparel industry:

- 964,000 Americans continue to be directly employed by the United States textile and apparel industry, resulting in nearly \$36,000,000,000 in annual compensation to workers.
- The United States textile and apparel sector accounted for \$48,300,000,000 of the nation's gross domestic product (GDP) in calendar year 2001.
- According to the Bureau of Labor Statistics, the textile and apparel industry was one of the most productive in the United States during the decade of the 1990s, experiencing significant productivity growth in practically all major product sectors.
- The United States textile and apparel industry is a major employer in many depressed rural areas, as well as a key provider of jobs in a number of major inner-city locations, such as New York City, Los Angeles, Chicago, and Dallas.
- The United States textile and apparel industry is a critical supplier to the United States Armed Forces, providing a stable domestic supply of vital items such as uniforms, parachutes, chemical and biological protective gear, and sophisticated carbon fibers necessary for missile and satellite guidance systems.
- Surging imports from low-wage foreign suppliers, along with massive currency devaluations by numerous major exporting countries, have combined to overwhelm trade controls established under international agreements, resulting in the longest, most severe economic crisis the United States textile and apparel industry has ever faced.

- Exports of textile and apparel products from the United States are often blocked by high tariff and non-tariff barriers erected by textile-exporting countries like China, India, and Brazil. These countries have enormous markets that textile firms in the United States cannot tap because of trade barriers.
- Many major textile and apparel exporting countries, through illegal second-country transshipment, falsification of import documents, and mislabeling of garments, have benefited from increased shipments to the United States, valued at billions of dollars, above limits agreed upon under bilaterally negotiated international agreements.
- The United States textile and apparel workforce has experienced an unprecedented level of job displacement affecting hard-working, reasonably paid textile and apparel workers in the United States, with 146,000 jobs lost in 2001 alone and 675,000 jobs lost during the 7-calendar year period ending in 2001.
- 488,000 of the textile and apparel jobs lost over that 7-year period were held by women.
- The substantial contraction in this industry has undermined an essential source of jobs, as well as critical health insurance benefits for women and minorities, including immigrants.
- Dozens of United States textile and apparel companies have been forced into bankruptcy or liquidation, and more than 200 plants in the United States in this sector have permanently closed since 1997.
- Although overall consumer prices in the United States rose 33 percent during the 1990's, apparel prices actually fell during that period, so that the United States textile and apparel sector experienced the first decade of deflation since the 1930s.
- Many Americans recognize the need to improve the enforcement of United States trade laws and international agreements to provide an effective response to the injury that the textile and apparel industry has sustained